

EXHIBIT F



United Voices

Gene Gregory – Editor

HIGHLIGHTS OF THIS ISSUE

- * **HSUS Pushes Bill**
- * **Molted Flocks – Back In Production**
- * **FMI/NGA Conference**

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HSUS Pushes The Farm Animal Stewardship Purchasing Act

The Humane Society of the United States (HSUS) urges Congress to pass House Bill # 5557, the Farm Animal Stewardship Purchasing Act, which was introduced by Congressmen Christopher Shays (R-CT) and Peter DeFazio (D-OR) on June 8th. The Bill would require animal producers supplying meat, dairy products and eggs to the military, federal prisons, school lunches, and a variety of other federal programs to comply with animal welfare standards.

The Bill would require that producers provide farm animals with adequate shelter and space, daily access to food and water, and adequate veterinary care. Adequate shelter is defined as: *"adequate shelter which allows sufficient space for the covered animal to stand, lie down, get up, walk, move his or her head freely, rest, and turn around completely and fully extend all limbs or wings without touching any part of the enclosure."*

HSUS has obviously worked with the Congressmen to include language within the Bill that would prohibit egg producers with cage layers from selling products to the government and therefore promote their agenda for non-cage systems.

Congressman Shays, co-chair of the Congressional Friends of Animals Caucus said: *"Our government can have a tremendous impact in encouraging improved treatment of animals by requiring producers to meet basic federal animal welfare requirements. I look forward to working with Representative DeFazio and the HSUS on building support for this legislation".*

Congressman DeFazio said: *"Increasingly, Americans are demanding we treat farm animals more humanely. As a major buyer of farm animal products, the federal government can and should help lead the way, encouraging more humane practices."*

HSUS says: *"Each year, the federal government spends billions of dollars on food for programs at agencies including the National School Lunch Program, the Armed Services, and the Bureau of Prisons. Consumers are demanding better animal welfare standards and many national corporations have stopped selling eggs from hens kept in battery cages and adopted other food reforms. The Shays/DeFazio bill would help move the market in this direction."*

HSUS has urged their members and anyone visiting their website to contact their Congressmen and urge their Congressman to co-sponsor and support H.R. 5557.

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DEFENDANTS' EXHIBIT

Case No. 1:11-cv-08808

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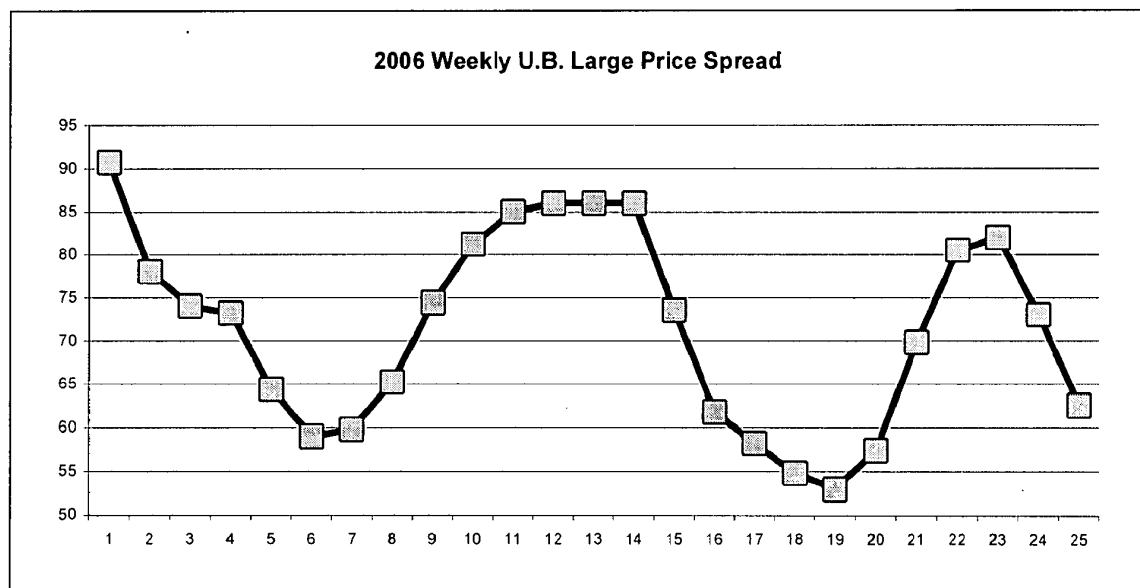
Are Early Molting Flocks Back in Production?

Recognizing that shell egg demand has historically been out of balance with supply during the weeks between Easter and Labor Day, UEP's Marketing Committee recommended that members molt and dispose of flocks six weeks earlier than previously scheduled.

Since mid-May we have seen egg prices rise by 29 cents per dozen and then begin to decline. From the early June peak price, we have seen prices decline by 24 cents per dozen within 11 days. The Urner Barry Midwest Large quote was at 58 cents on June 22nd (the day this story was written) and 7 cents per dozen below the unprofitable level on the same day a year ago. Have early molted flocks come back into production? Did anyone follow the recommendation to dispose of flocks six weeks early? Do these wide market swings do a disservice to our customers? **Am I wasting my time writing about this and urging producers to be more responsive?** Egg producers, whether marketing shell egg or egg products, are going to have to come to terms with the oversupply problem.

A producer wrote UEP saying: *"It is pretty obvious that the molted birds from about six weeks ago are all back in production and we know that we cannot expect the breakers to help us out as they are nearly self-sufficient and the dried inventories are at or near all time highs. We were wondering if a proposal to extend all molts by one additional week through September would be a simple enough program to get everyone who molts to participate. It would not matter what length of molt you currently do, just extend it by one week. We think it would have a very positive impact on supply."*

UEP's Production Planning Calendar provides a 10-year history of supply demand. The average supply demand index for the weeks between July 1 and September 15 is 94.12% meaning that supplies have historically been nearly 6% greater than the demand. Based upon this history, shouldn't we reduce supply over the next 11 weeks? Shell egg producers need to recognize that with nearly 50% of all eggs being broken coming out of in-line production/breaking facilities, finding a home for surplus shell eggs is becoming more and more difficult.



Largest New Zealand Egg Producers Will Label Eggs As Cage Eggs

Animal activists presented a petition with more than 51,000 signatures to the New Zealand Parliament, which forced the two largest cage egg producers in the country to label their egg cartons as "Cage Eggs".

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British Egg Council Seeks Ban On EU Egg Imports

Britain's Egg Industry Council is asking that the country stop importing eggs from certain European Union countries because of salmonella threats. The Council believes that imports from other EU countries should be banned unless they have been produced to the standards required by the British Lion scheme, including vaccination of hens against salmonella, a best-before date on every egg and full traceability of eggs, hens and feed.

Pork Welfare Program

The Pork Industry Animal Care Coalition has announced the new Pork Quality Assurance Plus welfare certification program. It is reportedly been developed by the Pork Industry Animal Care Coalition, which is composed of pig producers, meat packers, processors, retailers, restaurants and their associations. Scheduled for launch on July 1, 2007, with a 3-year implementation period, the program consists of training, on-farm assessments, certification and an auditing process.

Maurice Stein Award

The scholarship foundation named in honor of UEP's first Chairman, Maurice Stein and managed by UEP, has annually rewarded a college student with a scholarship for future education. The selection of the student to receive the scholarship is made by the Poultry Science Association.

This year's honoree is Vanessa Kretzchmar-McCluskey, who received a B.S. in Poultry Science with a minor in Spanish from Auburn University. Vanessa entered into her Ph.D. research and is currently pursuing her studies with research focusing on the natural prevalence of *Salmonella* Enteritidis and other microflora on the exterior, in the interior shell, and in the contents of shell eggs. She manages the Auburn University Egg Quality Laboratory where research is done on the functional properties of eggs. In the future, Vanessa hopes to work in an educational or research and development field focusing on food safety.

Farmed Animal Net

This website says this is a source for "*objective information for the thinking advocate*". So who are the sponsors of www.farmedanimal.net? The answer is: Animal Place, Animal Welfare Institute, Animal Welfare Trust, Farm Sanctuary, The Glaser Progress Foundation, The Humane Society of the United States (HSUS), and People for Ethical Treatment of Animals (PETA). Once again, it shows that HSUS and PETA have close ties.

Condolences

Joseph Maust Sr. passed away at his home on June 16th at the age of 98. The founder of Active Feed Company and the egg production/marketing company of the same name was still coming to the office in Pigeon, Michigan a few hours per day up until his death. The long time member of United Egg Producers was a sportsman and enjoyed golf, hunting, bowling, and downhill skiing. He and his wife Emma had recently celebrated their 70th wedding anniversary. Beginning as a farmer, Mr. Maust ventured into the frozen food locker plant business and later added a grocery store. Moving on from those enterprises, he opened his feed business, later adding the egg production and marketing, then a propane gas business, and held a majority interest in a local area bank with financial services and insurance.

FMI/NGA Public Policy Conference

UEP recently had the opportunity to promote the **United Egg Producers Certified** program to the members of the Food Marketing Institute (FMI), the National Grocers Association (NGA), and the Food Industry Association

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Executives (FIAE). The event, **Public Policy Conference**, held in Washington, D.C., included Executive level representatives from most of the major grocery chains and many small retailers in the country.

The **United Egg Producers Certified** program was presented on four occasions at the following events:

- FMI/NGA Joint State Association Meeting
- FMI Public Affairs & Government Relations Committee Meeting
- NGA Government Relations Leadership Council Meeting.
- Breakfast meeting of all attendees.

Bird Flu Preparedness Workshop

Approximately 90 people were in attendance at the UEP Avian Influenza Workshop held in Atlanta on June 14 & 15. Experts making presentations on the subject of avian influenza included:

- Dr. David Swayne – USDA/ARS Southeastern Poultry Research Lab
- Dr. Nina Marano – Centers for Disease Control
- Dr. Jill Nezworski – Minnesota Veterinarian
- Andy Rhorer – USDA/APHIS National Poultry Improvement Plan
- Dr. Karen Grogan – USDA/APHIS National Poultry Improvement Plan
- Dr. Larry Granger – USDA/APHIS
- Dr. Nan Hanshaw Roberts – Pennsylvania Department of Agriculture

The package of material included information prepared by UEP's Washington team that addressed the issues of:

- Prevention
- Low-Path versus High-Path Avian Influenza
- Surveillance
- Response Plan for HPAI
- State Role & Individual Producer Impact
- Crisis Communications Manual

Egg Products

USDA reported, for week ending June 17, 2006, that the number of cases of shell eggs broken, year-to-date, was 1% below the previous year levels. Despite breaking 1% fewer cases, the volume of liquid whole egg was reported to be 3% larger than a year ago at this date.

USDA reported the dried egg inventory on May 31, 2006 to be 48% larger than on the same date a year ago and 13% larger than the previous month.

Largest Food Retailers

Feedstuffs magazine listed the largest food retailers in the U.S. in terms of dollar sales in their June 5th issue. Wal-Mart, Kroger, Albertson's, Safeway, and Costco were the five leading companies. With the merger of SuperValu in the 11th spot and Albertson's in the 3rd spot, things will be changing but the combination will not replace either Wal-Mart or Kroger.

Wal-Mart holds a 26.7% share of the total grocery sales in grocery stores and supermarkets based upon 2005 sales, followed by Kroger's 9.8%. The two companies represent 24.7% of all food sold in retail formats.

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